

RX 15

From: Ronald J. Smith <rsmith@AltaMesa.net> on behalf of
Ronald J. Smith <rsmith@AltaMesa.net>
Sent: Tuesday, December 4, 2018 4:34 AM
To: Klemowits, Keith <keith.klemowits@us.gt.com>
Subject: Re: Model Assumptions

Thx

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From: Klemowits, Keith <keith.klemowits@us.gt.com>
Sent: Monday, December 3, 2018 7:18 PM
To: Ronald J. Smith
Subject: RE: Model Assumptions

Ron,

If the company lacks historical inputs to look at it would be reasonable to look a comparable guideline companies to see where range with OPEX, CAPEX, and G&A.

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From: Ronald J. Smith <rsmith@AltaMesa.net>
Sent: Monday, December 3, 2018 5:58 PM
To: Klemowits, Keith <Keith.Klemowits@us.gt.com>
Subject: Model Assumptions

When creating a model, how do you estimate things like OPEX, CAPEX and G&A? Is there a rule of thumb or is this information gleaned from other similar assets?

KPMG has asked me how I got comfortable with the inputs in the CITI model provided to you. The folks who created the model are gone and there are no notes with how they came up with the information.

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